

STATEMENT OF BASIS (AI No. 11394)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0122033 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Shell Pipeline Company LP
Houma Station
777 Walker St./TSP 1586
Houston, TX 77002

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Kelli Hamilton

DATE PREPARED: February 16, 2006

1. PERMIT STATUS

A. Reason For Permit Action:

Issuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term.

B. NPDES permit - NPDES permit effective date: N/A
NPDES permit expiration date: N/A
EPA has not retained enforcement authority.

C. LWDPS permit - LWDPS permit effective date: N/A
LWDPS permit expiration date: N/A

D. Date Application Received: February 18, 2004

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - crude oil pipeline with storage facility

Crude oil is transported through this existing facility as a raw material for other facilities. The facility is not a manufacturing site.

B. FEE RATE

1. Fee Rating Facility Type: minor
2. Complexity Type: II
3. Wastewater Type: III
4. SIC code: 4612

C. LOCATION - 1617 Coteau Road in Houma, Terrebonne Parish
Latitude 29°37'19", Longitude 90°41'22"

3. OUTFALL INFORMATION

Outfall 001

Discharge Type: tank draw water, and equipment washwater

Treatment: filtration and activated charcoal

Location: at the point of discharge from the treatment system
(Latitude 29°37'06", Longitude 90°41'25")

Flow: intermittent

Discharge Route: an unnamed ditch, thence into a drainage canal, thence into the Intracoastal Waterway

Note: Hydrotest water and hydroblast water are permitted under LAG679031.

4. RECEIVING WATERS

STREAM - unnamed ditch, thence into a drainage canal, thence into the Intracoastal Waterway

BASIN AND SEGMENT - Terrebonne Basin, Segment 120304

DESIGNATED USES - a. primary contact recreation
b. secondary contact recreation
c. propagation of fish and wildlife
d. drinking water supply
f. agriculture

5. PROPOSED EFFLUENT LIMITS

BASIS - See Rationale below.

6. COMPLIANCE HISTORY/COMMENTS

A. Compliance History

No records of compliance actions were found.

B. DMR Review/Excursions

This facility was previously issued an LWDPS permit WP4039 to a different company for sanitary and stormwater outfalls. The permit WP4039 was not transferred to Shell Pipeline, LP., and has expired. However, Shell Pipeline has been submitting DMRs for this permit. These DMRs were reviewed and no excursions were reported. Note: The sanitary effluent is discharged to rock/reed filters which eliminates the discharge to surface waters. Stormwater outfalls are not included in this permit (See page 4 of this Statement of Basis).

7. ENDANGERED SPECIES

The receiving waterbody, Subsegment 120304 of the Terrebonne Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated October 21, 2005 from Watson (FWS) to Gautreaux (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. It was determined that the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat.

8. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

9. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

10. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

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11. STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

As per LAC33:IX.2341.B.14.a-k, stormwater discharges from facilities classified as 4612 are not considered to be associated with industrial activities. Therefore, an SWP3 is not included in the permit.

Rationale for Shell Pipeline Company LP

1. **Outfall 001** tank draw water, and equipment washwater (estimated flow is intermittent)

<u>Pollutant</u>	<u>Limitation</u> Mo. Avg: Daily Max (mg/l)	<u>Reference</u>
Flow	Report: Report	See limits justification*
Benzene	---: 50µg/l	See limits justification*
BTEX	---: 250µg/l	See limits justification*
Chloride	---: 250	See limits justification*
Sulfate	---: 250	See limits justification*
TOC	---: 75	See limits justification*
TSS	---: 45	See limits justification*
Oil & Grease	---: 15	See limits justification*
Oil & Grease, Visual	No Presence	See limits justification*
pH (S.U.)	6.0: 9.0 (min: max)	See limits justification*

Treatment: filtration and activated charcoal

Monitoring Frequency: once per discharge

Limits Justification: BPJ from other LPDES permits with similar discharges.

* Existing permits for similar outfalls
BPJ Best Professional Judgement
su Standard Units

NOTE

For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.

TMDL Waterbodies

Subsegment 120304, Intracoastal Waterway-Houma to Larose, is listed on LDEQ's Final 2004 303(d) List as impaired for organic enrichment/low DO (EPA - Category 5), and nutrients (EPA - Category 5). To date no TMDL's have been completed for this subsegment. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by a TMDL. Until completion of TMDL's for the Terrebonne Basin, those suspected causes for impairment which are not directly attributed to the pipeline facility point source category have been eliminated in the formulation of effluent limitations and other requirements of this permit. Additionally, suspected causes of impairment which could be attributed to pollutants which were not determined to be discharged at a level which would cause, have the reasonable potential to cause or contribute to an excursion above any present state water quality standard were also eliminated. Therefore, for the purposes of this permit, organic enrichment/low DO will be addressed in a manner consistent with the Department's permitting guidance for implementing Louisiana's surface water quality standards as follows:

Organic enrichment/low DO

To protect against the further impairment of the organic enrichment/low DO impairment cause, a TOC limit will be placed on Outfall 001 in the permit.